Federal Update
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Obama to nominate former Proctor & Gamble CEO as Veterans Affairs secretary

By Leo Shane II, Staff Writer
MilitaryTimes

The White House on Monday will nominate former Procter & Gamble CEO Bob McDonald to take over as the next Veterans Affairs secretary, charged with fixing the ongoing veterans care delay scandal and restoring public faith in the department. McDonald, a West Point graduate, retired from the corporate giant one year ago. He brings considerably more business experience than military experience, spending five years after graduation in the Army and 33 years working with Procter & Gamble's various offices.

Although he lacks strong ties to the major national veterans groups, McDonald still is close to officials at West Point, where he established the biennial McDonald Cadet Leadership Conference. His military career was primarily with the 82nd Airborne Division. McDonald is also a life member of the U.S. Army Ranger Association and the 75th Ranger Regiment Association.

The 60-year-old's nomination comes exactly a month after former VA Secretary Eric Shinseki was forced to resign from the post he held more than five years, the longest tenure since the department was created.

More than 100 members of Congress demanded Shinseki's departure after weeks of reports about medical appointment problems at dozens of VA hospitals across the country. The department's office of inspector general is still investigating those reports and how many hospital officials may have covered up access problems to protect performance bonuses.

In his final public remarks before resigning, Shinseki took responsibility for the widespread care delays but also added his own dismay and shock that numerous high-level VA employees would put their own interests before that of veterans. McDonald's departure from Procter & Gamble was also sudden, and came after external and internal criticism about how he was managing the company of 120,000-plus employees.

The move is in line with calls for an executive to better manage the second-largest government department, one with more than 300,000 employees and a host of questions about whether the past leadership could handle the work. One senior administration official said McDonald can bring "well-honed management chops" to the embattled VA. At P&G, he rose from an entry-level job to CEO, holding management positions at many different areas of expertise and countries. Still, the move was a surprise to many in the veterans community.

Paul Rieckhoff, founder and CEO of Iraq and Afghanistan Veterans of America, said officials there are looking forward to meeting and working with McDonald, but also concerned about his lack of direct ties to younger veterans. "There needs to be a youth surge at VA," he said. "We hope that one of the first things he does is to reach out to our community, to help move ahead on fixing the department." Lawmakers have characterized the department's problems as a cultural failure, caused by a bureaucracy that rewards reaching arbitrary metrics more than actually helping veterans.

The nomination comes with just a few weeks left in Congress' legislative schedule before an extended, pre-election break. Senate officials have already promised to work quickly on the nomination, but it still could be difficult to finish the background work for confirmation before August arrives.

In a statement, Senate Veterans Affairs Committee Chairman Bernie Sanders, I-Vt., said he planned on meeting with McDonald in the next week. "The VA needs significantly improved transparency and accountability and it needs an increased number of doctors, nurses and other medical staff so that all eligible veterans get high-quality health care in a timely manner," he said.

House Veterans Affairs Committee Chairman Jeff Miller, R-Fla., said in a statement that McDonald will need to “root out the culture of dishonesty and fraud that has taken hold within the department” in order to succeed.
“The only way McDonald can set the department up for long term success is to take the opposite approach of some other VA senior leaders,” he said.

Exchange Online Shopping ► Open Access to All Vets Proposal

The U.S. military is looking into allowing all of the nation's veterans who served honorably to shop online at exchanges that sell discounted, name-brand goods — a perk that is currently available only to a small minority. The change is proposed by the Army & Air Force Exchange Service director as a way to show appreciation for veterans and to offset a loss of revenue as troops return from overseas, where they had few alternatives but to shop at the military retail stores. For now, the online shopping is generally limited to current service members, veterans who served for 20 years or longer and their family members. Tom Shull, the director of the exchange service, said 20 million veterans would be affected if the Defense Department allows all veterans who served honorably to use the shopping website.

Veterans who use the site typically save 25 percent or more and do not pay state sales tax. Top-selling brands include Michael Kors, Under Armour and Levi's. Levi's jeans for children are $15 to $20 a pair versus $28 or more in department stores. Shull is adding more name-brand products and revamping the website, which last year broke even. He said he hopes to invite all veterans who served honorably to begin shopping online on Veterans Day in 2015. Shull said it is coincidental that he proposed his idea during the Department of Veterans Affairs scandal over long waits for patient care and falsified records covering up the delays at hospitals and clinics nationwide. He said he thought of it a year ago. And while it would benefit those who have been affected by the current challenges within the VA, Shull said, he did not suggest it for that reason.

U.S. Sen. Richard Blumenthal, a member of the Senate Veterans' Affairs Committee, said, "It's a good idea. We should do it, but not view it as a way to make up for the VA's failings." "Many, many veterans have not served a full 20

years but have nonetheless contributed immensely to the defense of our nation," said Blumenthal, D-Connecticut. "That service ought to be recognized more fully."

Both the Navy and the Marine Corps said it would be premature to comment. The Defense Department says it must weigh whether the policy change would diminish the benefit for current patrons, cost the department more, or harm other local businesses and tax collection. It historically has not supported expanding the benefits that are designed to recruit and retain service members, and has scrutinized how any changes would affect the entire benefits package.

There are about 2 million people nationwide who served at least 20 years in the military, according to the Defense Department. Shull, who is the first civilian director of the exchange, suggested letting veterans from all of the branches who served honorably use the exchange website but not the brick-and-mortar stores. He expects less revenue from the physical stores as troops return from overseas, and he worries people won't shop on U.S. bases as much in the coming years if commissaries, or grocery stores, raise prices because of budget cuts. Shull said he needs to boost profits so the exchange service can continue to pay for programs for service members and their families on Army and Air Force bases.

Headquartered in Dallas, the exchange did $8.3 billion in sales in 2013 and netted $332 million in earnings, its data shows. It gave $208 million of its earnings as a dividend to the Army and the Air Force for Morale, Welfare and Recreation programs, including family counseling and youth services. Online sales could grow from about $200 million annually to $1 billion by 2019, Shull said. [Source: AP | Jennifer McDermott | Jun 22, 2014 ++]

VA Quality-of-Care Update ► Better or Worse than Private Sector

Half of the physicians who have experience practicing medicine at the Veterans Administration and the private sector since 2000 say the quality of care is worse in the VA system, according to a national survey of more than 1,500 doctors conducted by Jackson Healthcare. Fifty percent of the doctors who have practiced at the VA and in the private sector said the quality of care for military veterans is worse than in private practice. Thirty-one percent said it is about the same. VA doctors don’t see it that way. Only 23 percent of physicians who are working at

the VA say the quality of care is worse than the private sector; 39 percent of VA doctors say it is about the same as the private sector.

The nationwide survey of 1,527 physicians who reported working at the VA since 2000 was conducted June 5 to 11 and has a confidence level of 95 percent with an error rate of + or – 2.5 percent. Thirty-six percent of those surveyed are currently working in the VA. Seventy-eight percent of the respondents also have reported working in private practice since 2000, enabling them to make comparisons. Thirty-five percent have spent at least five years at the VA since 2000. Doctors who currently work who have had VA experience and private sector experience also see access to care in the VA as a big problem. Sixty-nine percent of those with experience at the VA and the private sector were likely to report the VA had worse access to care. Yet, in comparison, only 52 percent of VA physicians report access to care is a problem. "Most of the doctors we surveyed have seen what the practice of medicine is like under a government system and in the private sector," said Richard L. Jackson, chairman and CEO of Jackson Healthcare. "Those who have left the system are more likely to be frank about the hassles within the VA that impede the ability for patients to receive quality care." And access issues come across in a variety of ways in the physicians' survey. For example:

- Sixty percent of all physicians surveyed – those who currently work at the VA and those who have VA and private sector experience — said the amount of time they spent on administrative, non-clinical duties within the VA is too much.
- Fifty-six percent of the same group of physicians said that wait times to access the system is poor.
- Sixty percent report the wait times to see primary care physicians as poor.
- Sixty percent rate the wait time to see specialty doctors are poor.
- Once patients do get into the VA system; however, 76 percent of physicians rate the quality of specialty care to be good, 71 percent rate the primary care to be good, and 68 percent rate the amount of time spent with patients to be good.

"This confirms what we have been hearing that the unhappiness with patient care at the VA primarily stems from long waits and the inability to access care," said

Jackson. “Doctors are on the front lines and they know there should be nothing that impedes allowing patients to access care when he or she needs it.”

Physicians who gave the VA poor scores on access to care were more likely to be from the Mountain region of the country, be surgical sub-specialists, be full-time physicians and be full-time male doctors. Those who were more likely to give the VA good scores on access were likely to be from New England or the Mid Atlantic, be internal medicine subspecialists, part time, foreign graduate or female physicians or had less experience in private practice. Jackson Healthcare is the third largest healthcare staffing company in the U.S. and serves more than five million patients in over 1,300 healthcare facilities. [Source: Jackson Healthcare News Release Jun 24, 2014 ++]

VA Bonuses Update ► Given to 65% of Senior Execs in 2013

About 65 percent of senior executives at the Veterans Affairs Department got performance bonuses last year despite widespread treatment delays and preventable deaths at VA hospitals and clinics, the agency said Friday. More than 300 VA executives were paid a total of $2.7 million in bonuses last year, said Gina Farrisee, assistant VA secretary for human resources and administration. That amount is down from about $3.4 million in bonuses paid in 2012, Farrisee said. The totals do not include tens of millions of dollars in bonuses awarded to doctors, dentists and other medical providers throughout the VA's nearly 900 hospitals and clinics. Workers at the Phoenix VA Health Care System — where officials have confirmed dozens of patients died while awaiting treatment — received about $3.9 million in bonuses last year, newly released records show. The merit-based bonuses were doled out to about 650 employees, including doctors, nurses, administrators, secretaries and cleaning staff.

There was confusion 20 JUN about the number of senior executives who received bonuses. During a hearing Friday of the House Veterans' Affairs Committee, both lawmakers and Farrisee had indicated that nearly 80 percent of senior executives had received bonuses. Later, however, the committee provided documents showing that 304 of 470 senior executives, or 64.7 percent, had received bonuses. The committee and a VA spokesman said the 80 percent figure referred to the number of senior executives who received very high ratings, not those who

received bonuses. Farrisee defended the bonus system, telling the Veterans' Affairs panel that the VA needs to pay bonuses to keep executives who are paid up to $181,000 per year. "We are competing in tough labor markets for skilled personnel," Farrisee said. "To remain competitive in recruiting and retaining the best personnel to serve our veterans, we must rely on tools such as incentives and awards that recognize superior performance."

Farrisee's testimony drew sharp rebukes by lawmakers from both parties. Rep. Jeff Miller (R-FL), the committee chairman, said the VA's bonus system "is failing veterans." Instead of being given for outstanding work, the cash awards are "seen as an entitlement and have become irrelevant to quality work product," Miller said. Rep. Phil Roe (R-TN) said awarding bonuses to a high percentage of executives means that the VA was setting the bar for performance so low that "anybody could step over it. If your metrics are low enough that almost everybody exceeds them, then your metrics are not very high." Rep. Ann McLane Kuster (D-NH) said the VA suffered from "grade inflation, or what (humorist) Garrison Keillor would refer to as 'all of the children are above average.'" Kuster and other lawmakers said they found it hard to believe that so many senior employees could be viewed as exceeding expectations, given the growing uproar over patients dying while awaiting VA treatment and mounting evidence that workers falsified or omitted appointment schedules to mask frequent, long delays.

Miller, the Veterans' Affairs Committee chairman, noted that in the past four years, none of the VA's 470 senior executives have received ratings of minimally satisfactory or unsatisfactory, the two lowest ratings on the VA's five-tier evaluation system. Nearly 80 percent of senior executives were rated as outstanding or exceeding "fully successful," according to the VA. "Based on this committee's investigations, outside independent reports and what we have learned in the last few months, I wholeheartedly disagree with VA's assessment of its senior staff," Miller said. An updated audit released this week showed that about 10 percent of veterans seeking medical care at VA hospitals and clinics have to wait at least 30 days for an appointment. More than 56,000 veterans have had to wait at least three months for initial appointments, the report said, and an additional 46,000 veterans who asked for appointments over the past decade never got them. The VA has confirmed that dozens of veterans died while

awaiting appointments at VA facilities in the Phoenix area, although officials say they can't tell whether the delays caused any of the deaths.

The VA's inspector general has said that the bonus system — which has been suspended amid a criminal probe of wrongdoing at the agency — contributed to the fake record-keeping, since employees knew that bonuses for senior managers and hospital directors were based in part on on-time performance. Some 13 percent of VA schedulers surveyed by auditors reported being told by supervisors to falsify appointment records to make patient waits appear shorter. The House and Senate have both approved legislation to make it easier to fire senior executives and hospital administrators. The House bill would ban performance bonuses, while the Senate would sharply limit them. Lawmakers say they hope to bring a compromise bill to the president before the July 4 recess. [Source: Associated Press | Matthew Daly | Jun 20, 2014 ++]

VA Female Vet Care ► Persistent Shortcomings Remain

Already pilloried for long wait times for medical appointments, the beleaguered Department of Veterans Affairs has fallen short of another commitment: to attend to the needs of the rising ranks of female veterans returning from Iraq and Afghanistan, many of them of child-bearing age. Even the head of the VA's office of women's health acknowledges that persistent shortcomings remain in caring for the 390,000 female vets seen last year at its hospitals and clinics — despite an investment of more than $1.3 billion since 2008, including the training of hundreds of medical professionals in the fundamentals of treating the female body.

According to an Associated Press review of VA internal documents, inspector general reports and interviews:

- Nationwide, nearly one in four VA hospitals does not have a fulltime gynecologist on staff. And about 140 of the 920 community-based clinics serving veterans in rural areas do not have a designated women's health provider, despite the goal that every clinic would have one;
- When community-based clinics refer veterans to a nearby university or other private medical facility to be screened for breast cancer, more than

half the time their mammogram results are not provided to patients within two weeks, as required under VA policy;
- Female veterans have been placed on the VA's Electronic Wait List at a higher rate than male veterans. All new patients who cannot be schedule for an appointment in 90 days or less are placed on that wait list; and
- According to a VA presentation last year, female veterans of child-bearing age were far more likely to be given medications that can cause birth defects than were women being treated through a private HMO.

"Are there problems? Yes," said Dr. Patricia Hayes, the VA's chief consultant for women's health in an AP interview. "The good news for our health care system is that as the number of women increases dramatically, we are going to continue to be able to adjust to these circumstances quickly." The 5.3 million male veterans who used the VA system in fiscal year 2013 far outnumbered female patients, but the number of women receiving care at VA has more than doubled since 2000. The tens of thousands of predominantly young, female veterans returning home has dramatically changed the VA's patient load, and the system has yet to fully catch up. Also, as the total veteran population continues to decrease, the female veteran population has been increasing year after year, according to a 2013 VA report.

All enrolled veterans can use what the VA describes as its "comprehensive medical benefits package," though certain benefits may vary by individual and ailment, just like for medical care outside the VA system. The VA typically covers all female-specific medical needs, aside from abortions and in-vitro fertilization. The strategic initiatives, which sprang from recommendations issued six years ago to enhance women's health system-wide, have kick started research about women veterans' experience of sexual harassment, assault or rape in a military setting; established working groups about how to build prosthetics for female soldiers; and even led to installation of women's restrooms at the more than 1,000 VA facilities. Yet enduring problems with the delivery of care for women veterans are surfacing now amid the growing criticism of the VA's handling of patient care nationwide and allegations of misconduct, lengthy wait times and potential unnecessary deaths.

Used to treating the men who served in Vietnam, Korea or World War II, many of the VA's practitioners until a few years ago were unaccustomed to treating menopause or giving advice about birth control. The study on distribution of prescription medication that could cause birth defects is illustrative of the lagging awareness; one of every two women veterans has received medication from a VA pharmacy that could cause birth defects, compared to one in every six women who received drugs care through a private health care system, said the study's author, Eleanor Bimla Schwarz, a senior medical expert on reproductive health with VA. Schwarz, who also directs women's health research at the University of Pittsburgh, pointed out that while she does not believe any of the veterans surveyed were pregnant at the time, it is critical to keep in mind that many new female veterans are of child-bearing age, a higher percentage are on medication than in the general population and the majority of these women are not on contraception. Dr. Hayes said the VA seeks to place a trained, designated women's provider in every facility and expects to install a "one-stop" health care model that allows women to go to one provider for a range of services, including annual physicals, mental health services, gynecological care and mammograms. Until that happens, however, some VA clinics have limited gender-specific health treatments available for women.

Army Sgt. Ashley Morris, who worked as an operating room technician for six months in 2008-2009 at a military hospital in Baghdad's Green Zone that treated soldiers hit by suicide bombs or wounded in firefights, said that promised transformation is badly needed. She returned having flashbacks and suffering from post-traumatic stress disorder, and spent a month hospitalized in a psychiatric facility in Pueblo, Colorado. Now back home in Albertville, Alabama, she said she was ordered in March by a physician at the nearby community-based VA clinic to get a mammogram, given her mother's medical history. But Morris said she had to wait so long to get an outside appointment that she never made it to the doctor, in part, she said, because the VA would not reimburse her for the gas mileage to get to the private screening center 65 miles away in Birmingham. "As a young female coming home from Iraq, they don't have the care that we need at the local clinic," said Morris, 26. "If it's anything over psych medications, I have to go to Birmingham, and they've stopped compensating me for driving there." VA policy says any veteran who has been approved to get care at an outside facility will be reimbursed for gas mileage or get their transport paid for

by the system, said VA spokeswoman Ndidi Mojay. Jeffrey Hester, spokesman for the VA in Birmingham, said he was not aware of Morris' circumstances.

Female veterans are more likely than their male counterparts to be referred outside the VA system for specialty care, Hayes acknowledged. Nearly one-third of all female patients received at least one day of treatment at a non-VA facility in fiscal year 2012, as compared to 15 percent of their male counterparts, according to the most recent data Hayes supplied. Many female veterans report having to drive hours to get to a facility that offers specialized gender-specific care, while some of them tell of struggling to get the VA to pick up the tab for them to see a nearby private doctor. Army Sgt. LaQuisha Gallmon of Greenville, South Carolina, whose daughter was born two months ago, said she had been authorized to see a private physician of her choice for prenatal visits and delivery. But because the paperwork hadn't been fully processed when she went to an outside emergency room for complications in her sixth month of pregnancy, VA has refused to pay the $700 bill, she said. "I called the VA women's clinic and they told me everything was approved for me to get outside care and I should be getting the packet in the mail," said Gallmon, 32, who served six years in Iraq, Germany and Fort Gordon, Georgia. "Right after that, I wound up in the ER for complications, and a week later I received the letter saying they wouldn't pay for it." The VA typically covers prenatal and pregnancy-related care through arrangements with community health care providers, said Mojay.

According to a recent opinion by the American College of Obstetricians and Gynecologists, the VA has an urgent need to continue training providers in female reproductive health and contraception. Women appear to face particular difficulties getting gender-specific care in community-based clinics, 15 percent of which lacked a designated women's care provider at the end of fiscal year 2013, according to data supplied by VA. Separately, in a report published last year, the VA OIG found that 60 percent of the female patients at community clinics who were surveyed by government inspectors did not receive results of their normal breast cancer screenings within the required two weeks and results for 45 percent of them never made it into the VA's electronic health records. The agency said it has since changed the system so physicians can better track abnormal mammogram results through the VA's internal computerized health records, and says patients with abnormal results are "typically" informed within three days. Hayes said she did not yet have results showing how widely the improvements

have been adopted, or what specific progress had been made on the concerns raised by government investigators, especially for women vets who were tested outside a VA hospital. Hayes said the VA plans to improve its software system so physicians get a more extensive, visible warning to ask patients about their possible pregnancy status and interest in conceiving when prescribing medication that could cause birth defects. "We want to make it right for our veterans to have the best kind of care, and women are included in that goal," she added. [Source: The Associated Press | Garance Burke | Jun 22, 2014 ++]

VA Health Care Delays Update ► Latest Nationwide Data Released

On 19 JUN the Department of Veterans Affairs (VA) posted the second in a series of bi-monthly data updates showing progress on its efforts to accelerate access to quality health care for Veterans who have been waiting for appointments. Acting Secretary of Veterans Affairs Sloan D. Gibson announced that VA has now contacted approximately 70,000 Veterans across the country to get them off of wait lists and into clinics for medical appointments. Gibson also announced the release of the latest updated, facility-level patient access data, which demonstrates that the number of appointments has increased by almost 200,000 from 15 MAY to 1 JUN.

"In many communities across the country, Veterans wait too long for the high quality care they've earned and deserve," said Acting Secretary Gibson. "As of today, we've reached out to 70,000 Veterans to get them off wait lists and into clinics, but there is still much more work to be done. As we continue to address systemic challenges in accessing care, these regular data updates will enhance transparency and provide the most immediate information to Veterans and the public on Veterans' access to quality health care. Trust is the foundation for everything we do. VA must be an organization built on transparency and accountability, and we will do everything we can to earn that trust one Veteran at a time." Last week, VA announced the following actions in response to the nationwide Access Audit findings and data:

- Establishing New Patient Satisfaction Measurement Program- Gibson has directed VHA to immediately begin developing a new patient satisfaction measurement program to provide real-time, robust, location-by-location

information on patient satisfaction, to include satisfaction data of those Veterans attempting to access VA healthcare for the first time. This program will be developed with input from Veterans Service Organizations, outside healthcare organizations, and other entities. This will ensure VA collects an additional set of data – directly from the Veteran's perspective – to understand how VA is doing throughout the system.

- Holding Senior Leaders Accountable- Where audited sites identify concerns within the parent facility or its affiliated clinics, VA will trigger administrative procedures to ascertain the appropriate follow-on personnel actions for specific individuals.
- Ordering an Immediate VHA Central Office and VISN Office Hiring Freeze- Gibson has ordered an immediate hiring freeze at the Veterans Health Administration (VHA) central office in Washington D.C. and the 21 VHA Veterans Integrated Service Network (VISN) regional offices, except for critical positions to be approved by the Secretary on a case-by-case basis. This action will begin to remove bureaucratic obstacles and establish responsive, forward leaning leadership. Removing 14-Day Scheduling Goal VA is eliminating the 14-day scheduling goal from employee performance plans. This action will eliminate incentives to engage in inappropriate scheduling practices or behaviors.
- Increasing Transparency by Posting Data Twice-Monthly- At the direction of the Acting Secretary, VHA will post regular updates to the access data released today at the middle and end of each month at www.va.gov/health. Twice-monthly data updates will enhance transparency and provide the most immediate information to Veterans and the public on Veterans access to quality healthcare.
- Initiating an Independent, External Audit of Scheduling Practices- Gibson has also directed that an independent, external audit of system-wide VHA scheduling practices be performed.
- Utilizing High Performing Facilities to Help Those That Need Improvement- VA will formalize a process in which high performing facilities provide direct assistance and share best practices with facilities that require improvement on particular medical center quality and efficiency, also known as SAIL, performance measures.
- Suspending Performance Awards- VA has suspended all VHA senior executive performance awards for FY2014. [Source: VA News Release Jun 19, 2014 ++]

VA Bonuses Update ► Opportunity of a Lifetime

If this is the "opportunity of a lifetime" to institute VA reforms, the keystone to tie everything together will be the Senior Executive Service pay and performance system. In other sectors, including health care, it's the prospect of financial rewards that reinforces accountability. Incentives are used broadly to help everyone focus on what needs to be accomplished. Proposals to eliminate bonuses for all Veterans Affairs employees for three years would be a huge mistake. Fear can generate compliance, but it is not going to inspire the commitment the VA needs. Patient care is apparently excellent and employees should be rewarded for their contributions, especially in light of the criticism that has broadly tainted VA. Denying bonuses to executives or anyone is not going to solve anything. This is a situation in which behavior change is needed, and there is no better way to accomplish that than basing financial rewards on successful change. Continuing practices that contributed to the problems is not sound practice.

An independent study is needed. Reports of organizational problems are not new to the VA; the history is a long one. House Veterans Affairs Committee Chairman Rep. Jeff Miller (R-FL) is correct; this is an opportunity to address dysfunctional or inefficient operations and make the VA a model for government. The assessment should be led by individuals who have the experience and standing to identify and define sensitive problems in large, complex agencies. The National Academy of Public Administration has completed similar studies in the past. Many VA employees would be anxious to help. They would like nothing more than to make the VA a model workplace and to feel renewed pride in their agency. No one enjoys working in a situation that involves ongoing dishonesty, especially if they know it's hurting others. Employees are aware of such problems and have a better sense of how to solve them than anyone. Relying on information-gathering methods that assures their confidentiality could open a floodgate.

A great deal of the information-gathering, analyses and planning of corrective actions could be completed by VA employees, which would hold down costs. Their findings and recommendations are far more likely to be accepted than those of an outside entity. Employees could be responsible for identifying best practices—in health care that information is readily available. Their involvement would minimize any "not invented here" resistance. Each VA hospital and clinic

should be addressed separately. If the study is limited to selected hospitals, its likely employees at other facilities would invite an assessment. The first phase report should document the problems, break them down into separate tasks with timelines, resource requirements and expected results. Incentives should be linked to the successful completion of those goals. To ensure changes are implemented as quickly as possible, incentive payouts should increase for early completion. Those who complete tasks late should be penalized through smaller awards or none at all.

Witnesses at a recent House VA committee hearing said most of the metrics used to track performance are process oriented rather than outcome oriented. That highlights a fundamental shift in health care. They also said the VA is tracking too many measures. Hundreds have been developed. The VA should have easy access to some of the nation's experts, many of whom work in or have ties to government, to help develop new paradigms for tracking performance. In light of the scheduling revelations, it may be important to focus on metrics related to patient experience. Hospitals routinely monitor patient satisfaction on issues like staff responsiveness, communication, and confidence in caregivers. Those measures could be reflected in group incentives. Payouts could be modest—even 2 percent to 3 percent of base pay would be enough to improve performance. Perhaps the most powerful incentive would be to post a list of each hospital's performance on key metrics on a public area. That type of competition is used routinely in other sectors. With the many hospitals and clinics, comparative measures as well as measures of improvement would be of broad interest. Incentives are frequently used as part of a turnaround strategy. The universal basis for managing and rewarding the performance of executives and managers in other sectors is a combination of organizational and individual goals. Health care is no different. Federal agencies may not have quantified goals, but workers at every level should be able to articulate what they expect to accomplish and what constitutes outstanding performance. That should be the basis for determining incentive awards across the VA. [Source: GovExec.com | Howard Risher | June 17, 2014 ++]

VA Health Care Access Update ► Bills Could Double Spending in 3YR

Spending on veterans' health care could double in three years under the Senate's solution to the long waits experienced by thousands seeking medical care at VA hospitals and clinics, according to congressional budget experts. Analyzing a bill the Senate passed overwhelmingly 11 JUN, the Congressional Budget Office estimates the measure would add $35 billion over the next three years to the $44 billion the government now spends annually on medical care for veterans. Both the Senate bill and a House version also passed this past week would dramatically expand government-paid health care. They would require the Veterans Affairs Department to pay private providers to treat qualifying veterans who can't get prompt appointments at the VA's nearly 1,000 hospitals and outpatient clinics or who live at least 40 miles from one of them. Once the program was fully in place, the budget office said it expected that veterans "would ultimately seek additional care that would cost the federal government about $50 billion a year" — double current spending. The bills are Congress's response to a growing uproar over patients dying while awaiting VA treatment and mounting evidence that workers falsified or omitted appointment schedules to mask frequent, long delays. The Senate bill would open up VA health care to as many as 8 million veterans who now qualify for VA health care but have not enrolled, the budget office said. By making it easier to get outside care, the Senate bill and a companion measure in the House also would encourage veterans to seek VA coverage for a bigger portion of their health care, the report said. Both bills would make it easier to fire or demote senior agency officials, and both would end bonuses to regional VA officials and other administrators based on meeting patient scheduling goals — a practice investigators say led some officials to create phony waiting lists to "game" the system.

But the Senate bill also would devote at least $1 billion to leasing 26 facilities in 17 states and Puerto Rico for use as new VA hospitals or clinics and $500 more million for hiring more VA doctors and nurses. Declaring the long appointment waits an emergency, the Senate averted having to raise taxes or find spending cuts elsewhere to cover the bill's costs. "By resorting to abusing the emergency escape clause, Washington is once again looking for the easy way out," said Maya MacGuineas, president of the Center for a Responsible Federal Budget, a bipartisan policy group devoted to cutting federal deficits. MacGuineas' group criticized the Senate's bill in a lengthy blog post after it passed, saying it would swell the government's debt by creating a new unfunded entitlement program bigger than Congress's expansion of Medicare in 2003 to cover prescription drugs.

“We can’t just write a blank check and think it will solve these problems,” said Sen. Jeff Sessions (R-Ala.), one of three senators who voted against the bill. He said “veterans deserve better than that.”

Sen. John McCain (R-AZ), one of the bill’s authors, lashed back, “If it is not an emergency that we have neglected the brave men and women who have served this country and keep us free, then I do not know what an emergency is.” Sen. Bernie Sanders (I-VT) the chairman of the Senate Veterans’ Affairs Committee, said the bill was expensive, but so were the wars that veterans have served in. Wars in Iraq and Afghanistan alone will have cost at least $3 trillion, he said. “If we can spend that kind of money to go to war … surely we can spend (less than) 1 percent of that amount to take care of the men and women who fought those wars,” he said. The CBO did not provide a complete cost estimate on the House bill, which includes no provisions for new hospitals or clinics or hiring more VA doctors and nurses. Both measures would spend billions to provide outside care for veterans, although the House would require Congress to appropriate money for it each year.

House Veterans’ Affairs Committee Chairman Jeff Miller (R-FL) said Congress would have to cover the costs, but he didn’t know where the money would come from. “We’ll have to find a way,” he told reporters after the Senate bill passed. “It’s not going to be cheap. We know it.” Miller also said there would be negotiations with the Senate over final legislation. “We’re not just accepting the Senate bill,” he said. Sanders was optimistic that a quick deal could be reached. “I’ve worked with Jeff Miller. I think we can work things out,” he said. [Source: Associated Press | Matthew Daly | Jun 16, 2014 ++]